Consolidated Financial Results for the First Quarter Ended June 30, 2019

Asahi Holdings, Inc. [IFRS]

July 25, 2019

Stock code:	5857
Shares listed:	Tokyo Stock Exchange (First Section)
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Start of dividend payment:	–
Supplementary materials for the financial results:	Yes
Investor conference for the financial results:	No

(Rounded down to the nearest million yen)

1. Results of the three months ended June 30, 2019 (From April 1, 2019 to June 30, 2019)

(1) Results of operations (cumulative) (Percentage: Changes relative to corresponding previous period)

	Revenue		Operating income		Profit before tax		Profit		Profit attributable to owners of parent		Total comprehensive income	
The three months ended	Millions of yen	%	Millions of yen	%	Millions of yen	%	Millions of yen	%	Millions of yen	%	Millions of yen	%
June 30, 2019	33,969	6.4	3,817	7.8	3,267	(2.3)	2,035	(14.2)	2,035	(14.2)	3,076	57.9
June 30, 2018	31,914	(1.7)	3,542	1.5	3,345	(1.7)	2,373	(0.4)	2,373	1.3	1,948	21.0

	Basic earnings per share	Diluted earnings per share
The three months ended	Yen	Yen
June 30, 2019	51.74	51.56
June 30, 2018	59.93	59.76

(2) Financial Position

	Total assets	Total equity	Equity attributable to owners of parent	Equity attributable to owners of parent ratio
As of	Millions of yen	Millions of yen	Millions of yen	%
June 30, 2019	160,315	68,537	68,537	42.8
March 31, 2019	160,272	67,804	67,804	42.3

2. Dividend payments

	Dividends per share				
	First quarter	Second quarter	Third quarter	Year-end	Annual
	Yen	Yen	Yen	Yen	Yen
Year ended March 31, 2019	–	60.00	–	60.00	120.00
Year ending March 31, 2020	–				
Year ending March 31, 2020 (Forecast)		60.00	–	60.00	120.00

(Note) Revisions in dividend forecast in the current quarter: No

3. Forecast (From April 1, 2019 to March 31, 2020) (Percentage: Changes relative to corresponding previous period)

	Revenue		Operating income		Profit before tax		Profit attributable to owners of parent		Basic earnings per share
	Millions of yen	%	Millions of yen	%	Millions of yen	%	Millions of yen	%	Yen
1st half	70,000	15.9	6,800	(0.9)	6,700	3.3	4,400	(3.1)	111.82
Year ending March 31, 2020	140,000	8.8	14,500	0.1	14,300	6.7	9,400	4.4	238.89

(Note) Revisions in forecast in the current quarter: No

* Notes

(1) Changes in significant subsidiaries during the current quarter: No

(2) Changes in accounting policies and accounting estimates

(i) Changes in accounting policies required by IFRS: Yes

(ii) Changes other than (i) above: No

(iii) Changes in accounting estimates: No

For details, please refer to page 12 "2. Condensed Consolidated Financial Statements (7) Notes on Condensed Consolidated Financial Statements (3.Changes in accounting policies)".

(3) Number of issued shares (common stock)

(i) Number of issued shares at the quarter end (including treasury shares)

As of June 30, 2019	39,854,344 shares
As of March 31, 2019	39,854,344 shares

(ii) Number of treasury shares at the quarter end

As of June 30, 2019	505,487 shares
As of March 31, 2019	505,487 shares

(iii) Averaged number of shares during the period (quarterly cumulative period)

Three months ended June 30, 2019	39,348,857 shares
Three months ended June 30, 2018	39,599,045 shares

*The quarterly financial statements are not subject to quarterly reviews by accounting auditors.

(Notes on forward looking statements, etc.)

These forecast performance figures are based on the information currently available to the company's management and certain assumptions judged rational. Accordingly, these might be cases in which actual results materially differ from forecasts of this report. Please refer to page 3 "1. Qualitative Information (3) Consolidated Performance Forecasts" for the assumptions used and other notes.

【Appendix】

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1. Qualitative Information

(1) Consolidated Business Performance

The Japanese economy registered moderate recovery during the current first quarterly consolidated accounting period, backed by improvements in the employment and income environment. The prospects for the global economy, on the other hand, continue to be opaque due to the impact of U.S.-China trade dispute and concerns over the slowdown of Chinese economy. Under these conditions, the Group's results in each business segment were as follows.

Precious Metals business

Revenue in precious metal recycling business in Japan, South Korea and Malaysia increased from the same period in the previous year. Also, revenue in precious metal refining business in North America expanded from the same period a year before, but operating income declined during the same period due to the impact of fixed cost incurred in the newly acquired company in Florida. As a result, revenue in Precious Metals business on the whole increased while operating income decreased from the same period in the previous year.

Environmental Preservation business

In spite of the lingering repercussions of the withdrawal from photosensitive material business that took place in the previous fiscal year, revenue and operating income in Environmental Preservation business expanded from the same period a year earlier, thanks to the efforts to develop new customers based on collaboration among group companies that capitalizes on the characteristics of the respective companies.

Life & Health business

Revenue in fire-fighting and air conditioning equipment remained solid as high construction demand continued primarily in the Tokyo metropolitan area. Also, health care equipment business marked a steady performance overall. As a result, revenue and operating income in Life & Health business increased from the same period in the previous year.

As a result of the above, revenue during the first quarter of the current fiscal year was 33,969 million yen, a year-on-year increase of 2,054 million yen (+6.4 percent). Operating income was 3,817 million yen, a year-on-year increase of 275 million yen (+7.8 percent). Profit before tax was 3,267 million yen, a year-on-year decrease of 78 million yen (-2.3 percent). Profit was 2,035 million yen, a year-on-year decrease of 337 million yen (-14.2 percent). Profit attributable to owners of parent for the period was therefore 2,035 million yen, a decrease of 337 million yen (-14.2 percent) year-on-year. By segment, revenue in the Precious Metal Business was 24,572 million yen, a year-on-year increase of 1,636 million yen (+7.1 percent). Revenue in the Environmental Preservation Business was 4,236 million yen, a year-on-year increase of 179 million yen (+4.4 percent). Revenue in the Life & Health Business was 5,166 million yen, a year-on-year increase of 227 million yen (+4.6 percent).

(2) Consolidated Financial Position and Cash Flows for the three months ended June 30, 2019

As of June 30, 2019, total assets amounted to 160,315 million yen, up 43 million yen from the previous fiscal year end. This was due mainly to the decrease of 2,033 million yen in cash and cash equivalents, the decrease of 2,986 million yen in trade and other receivables, the increase of 2,949 million yen in inventories and the increase of 2,095 million yen in property, plant and equipment.

Total liabilities amounted to 91,778 million yen, down 690 million yen from the previous fiscal year end. This was due mainly to the increase of 2,133 million yen in other financial liabilities, the decrease of 1,368 million yen in loans payable, the decrease of 1,320 million yen in income tax payable and the decrease of 1,012 million yen in trade and other payables.

Total equity amounted to 68,537 million yen, up 733 million yen from the previous fiscal year end. This was due mainly to comprehensive income of 3,076 million yen and the dividends of 2,360 million yen.

As a result, the equity attributable to owners of parent ratio changed to 42.8%, from 42.3% at the end of the previous fiscal year.

Net cash provided by operating activities amounted to 2,605 million yen due mainly to 3,267 million yen of profit before tax, 728 million yen of depreciation and amortization, 2,949 million yen of increase in inventory, 2,983 million yen of decrease in trade and other receivables, 3,694 million yen of income taxes paid.

Net cash used in investing activities amounted to 1,124 million yen due mainly to 993 million yen of purchase of property, plant and equipment.

Net cash used in financial activities amounted to 3,370 million yen due mainly to 2,336 million yen of cash dividends paid.

As a result, cash and cash equivalents as of June 30, 2019 decreased 2,033 million yen from March 31, 2019, to 14,263 million yen.

(3) Consolidated Performance Forecasts

Consolidated performance forecast for the fiscal year and the first half period have not changed from the forecast announced on May 8, 2019.

2. Condensed Consolidated Financial Statements

(1) Condensed Consolidated Statements of Financial Position

	As of March 31, 2019	As of June 30, 2019
	Millions of yen	Millions of yen
ASSETS		
Current assets		
Cash and cash equivalents	16,297	14,263
Trade and other receivables	66,489	63,502
Inventories	25,191	28,141
Income tax receivables	1,515	1,553
Other financial assets	389	964
Other current assets	3,906	3,066
Total current assets	113,790	111,491
Non-current assets		
Property, plant and equipment	36,083	38,178
Goodwill	8,243	8,243
Intangible assets	697	657
Deferred tax assets	873	1,213
Net defined benefit asset	47	－
Financial assets	498	497
Other non-current assets	39	34
Total non-current assets	46,482	48,824
Total assets	160,272	160,315

	As of March 31, 2019	As of June 30, 2019
	Millions of yen	Millions of yen
LIABILITIES and EQUITY		
Liabilities		
Current liabilities		
Trade and other payables	17,169	16,156
Loans payable	44,712	43,661
Income tax payable	2,405	1,085
Other financial liabilities	1,537	1,901
Provision	1,207	702
Other current liabilities	3,540	4,837
Total current liabilities	70,573	68,344
Non-current liabilities		
Loans payable	19,085	18,767
Deferred tax liabilities	1,360	1,412
Net defined benefit liability	157	184
Other financial liabilities	1,291	3,062
Other non-current liabilities	—	6
Total non-current liabilities	21,895	23,434
Total liabilities	92,468	91,778
Equity		
Capital stock	7,790	7,790
Capital surplus	10,353	10,371
Treasury stock	(955)	(955)
Retained earnings	55,547	55,172
Other components of equity	(4,931)	(3,841)
Total equity attributable to owners of parent	67,804	68,537
Total equity	67,804	68,537
Total liabilities and equity	160,272	160,315

(2) Condensed Consolidated Statements of Income for the three months ended June 30, 2019

	The three months ended June 30, 2018	The three months ended June 30, 2019
	Millions of yen	Millions of yen
Revenue	31,914	33,969
Cost of sales	(24,832)	(26,592)
Gross profit	7,081	7,376
Selling, general and administrative expenses	(3,546)	(3,555)
Other operating income	104	22
Other operating expenses	(97)	(25)
Operating income	3,542	3,817
Finance income	9	6
Finance cost	(205)	(556)
Profit before tax	3,345	3,267
Income tax expenses	(972)	(1,231)
Profit	2,373	2,035
Profit attributable to:		
Owners of parent	2,373	2,035
Non-controlling interests	—	—
Profit	2,373	2,035
Earnings per share		
Basic earnings per share (Yen)	59.93	51.74
Diluted earnings per share (Yen)	59.76	51.56

(3) Condensed Consolidated Statements of Comprehensive Income for the three months ended June 30, 2019

	The three months ended June 30, 2018	The three months ended June 30, 2019
	Millions of yen	Millions of yen
Profit	2,373	2,035
Other comprehensive income		
Items that will not be reclassified to profit or loss		
Financial assets measured at fair value through other comprehensive income	(3)	(5)
Remeasurements of defined benefit plans	21	(49)
Total items that will not be reclassified to profit or loss	18	(55)
Items that will be reclassified to profit or loss		
Cash flow hedges	(470)	1,099
Translation adjustments of foreign operations	26	(4)
Total items that will be reclassified to profit or loss	(443)	1,095
Other comprehensive income, net of tax	(424)	1,040
Comprehensive income	1,948	3,076
Comprehensive income attributable to:		
Owners of parent	1,948	3,076
Non-controlling interests	—	—
Comprehensive income	1,948	3,076

(4) Condensed Consolidated Statements of Changes in Equity

(Millions of yen)

	Equity attributable to owners of parent					
					Other components of equity	
	Capital stock	Capital surplus	Treasury stock	Retained earnings	Translation adjustments of foreign operations	Cash flow hedges
Balance at April 1, 2018	7,790	10,381	(386)	50,282	(3,624)	(34)
Profit	—	—	—	2,373	—	—
Other comprehensive income	—	—	—	—	26	(470)
Total comprehensive income	—	—	—	2,373	26	(470)
Purchase of treasury stock	—	—	(0)	—	—	—
Dividends	—	—	—	(1,306)	—	—
Reclassified from other components of equity to retained earnings	—	—	—	26	—	—
Share-based payment transactions	—	41	—	—	—	—
Total transactions with owners	—	41	(0)	(1,280)	—	—
Balance at June 30, 2018	7,790	10,422	(387)	51,375	(3,597)	(505)

(Millions of yen)

	Equity attributable to owners of parent				
	Other components of equity				
	Financial assets measured at fair value through other comprehensive income	Remeasurements of defined benefit plans	Total	Total	Total equity
Balance at April 1, 2018	27	—	(3,632)	64,435	64,435
Profit	—	—	—	2,373	2,373
Other comprehensive income	(3)	21	(424)	(424)	(424)
Total comprehensive income	(3)	21	(424)	1,948	1,948
Purchase of treasury stock	—	—	—	(0)	(0)
Dividends	—	—	—	(1,306)	(1,306)
Reclassified from other components of equity to retained earnings	(4)	(21)	(26)	—	—
Share-based payment transactions	—	—	—	41	41
Total transactions with owners	(4)	(21)	(26)	(1,265)	(1,265)
Balance at June 30, 2018	19	—	(4,083)	65,118	65,118

(Millions of yen)

	Equity attributable to owners of parent					
					Other components of equity	
	Capital stock	Capital surplus	Treasury stock	Retained earnings	Translation adjustments of foreign operations	Cash flow hedges
Balance at April 1, 2019	7,790	10,353	(955)	55,547	(3,737)	(1,203)
Profit	—	—	—	2,035	—	—
Other comprehensive income	—	—	—	—	(4)	1,099
Total comprehensive income	—	—	—	2,035	(4)	1,099
Dividends	—	—	—	(2,360)	—	—
Reclassified from other components of equity to retained earnings	—	—	—	(49)	—	—
Share-based payment transactions	—	18	—	—	—	—
Total transactions with owners	—	18	—	(2,410)	—	—
Balance at June 30, 2019	7,790	10,371	(955)	55,172	(3,741)	(103)

(Millions of yen)

	Equity attributable to owners of parent				
	Other components of equity				
	Financial assets measured at fair value through other comprehensive income	Remeasurements of defined benefit plans	Total	Total	Total equity
Balance at April 1, 2019	8	—	(4,931)	67,804	67,804
Profit	—	—	—	2,035	2,035
Other comprehensive income	(5)	(49)	1,040	1,040	1,040
Total comprehensive income	(5)	(49)	1,040	3,076	3,076
Dividends	—	—	—	(2,360)	(2,360)
Reclassified from other components of equity to retained earnings	—	49	49	—	—
Share-based payment transactions	—	—	—	18	18
Total transactions with owners	—	49	49	(2,342)	(2,342)
Balance at June 30, 2019	3	—	(3,841)	68,537	68,537

(5) Condensed Consolidated Statements of Cash Flows

	The three months ended June 30, 2018	The three months ended June 30, 2019
	Millions of yen	Millions of yen
Net cash provided by (used in) operating activities		
Profit before tax	3,345	3,267
Depreciation and amortization	580	728
Impairment loss	14	0
Finance income and finance cost	169	556
Decrease (increase) in inventories	1,385	(2,949)
Decrease (increase) in trade and other receivables	180	2,983
Increase (decrease) in trade and other payables	(3,338)	(923)
Other, net	473	3,083
Subtotal	2,810	6,745
Interest and dividends income received	9	6
Interest expenses paid	(193)	(454)
Income taxes paid	(4,073)	(3,694)
Income taxes refund	50	3
Net cash provided by (used in) operating activities	(1,396)	2,605
Net cash provided by (used in) investing activities		
Payments into time deposits	—	(98)
Purchase of property, plant and equipment	(719)	(993)
Proceeds from sales of property, plant and equipment	163	2
Purchase of intangible assets	(19)	(26)
Proceeds from sales and redemption of investments	12	—
Other, net	(11)	(9)
Net cash provided by (used in) investing activities	(575)	(1,124)
Net cash provided by (used in) financing activities		
Net increase (decrease) in short-term loans payable	405	(882)
Repayment of long-term loans payable	(135)	—
Purchase of treasury stock	(0)	—
Cash dividends paid	(1,294)	(2,336)
Other, net	(19)	(151)
Net cash provided by (used in) financing activities	(1,043)	(3,370)
Effect of exchange rate change on cash and cash equivalents	106	(144)
Net increase (decrease) in cash and cash equivalents	(2,909)	(2,033)
Cash and cash equivalents at beginning of period	24,140	16,297
Cash and cash equivalents at end of period	21,230	14,263

(6) Notes on Assumptions for Going Concern

Not applicable

(7) Notes on Condensed Consolidated Financial Statements

1. Reporting entity

Asahi Holdings, Inc. (hereinafter the "Company") is a company located in Japan. The Company's condensed consolidated financial statements for the three months ended June 30, 2019 comprise the financial statements of the Company as well as its subsidiaries (hereinafter the "Group").

For the main activities of the Group, please refer to Note 5. "Segment information."

2. Basis of preparation

(1) Statement of compliance with IFRS

The condensed consolidated financial statements of the Group have been prepared based on IAS 34 "Interim Financial Reporting."

Having met the requirements for a Specified Company under the Designated International Accounting Standards, as prescribed in Article 1-2 of the Ordinance on the Terminology, Forms, and Preparation Methods of Quarterly Consolidated Financial Statements (Cabinet Office Ordinance No. 64 of 2007), the Group adopts the provisions of Article 93 of the aforementioned rules.

(2) Basis of measurement

The condensed consolidated financial statements of the Group have been prepared based on costs of acquisition, except for the specified financial instruments that have been measured at fair value.

(3) Functional currency and presentation currency

The condensed consolidated financial statements of the Group are presented in Japanese yen, which is the functional currency of the Company, and figures less than one million yen are rounded down to the nearest million yen.

3. Changes in accounting policies

The significant accounting policies adopted for the condensed consolidated financial statements are the same as those for the consolidated financial statements for the fiscal year ended March 31, 2019, with the exception of the items described below.

The income tax for the three months ended June 30, 2019 was calculated based on the estimated average annual effective tax rate.

The Group adopted the standards shown below in the current first quarterly consolidated accounting period.

IFRS		Overview of new and revised items
IFRS 16	Leases	Revision of accounting procedures on leases

The Group adopted IFRS 16 "Leases" (announced in January 2016, hereinafter referred to as "IFRS 16") in the current first quarterly consolidated period.

IFRS 16, which replaces the former IAS 17 for lease transactions of the lessee, prescribes the elimination of the classification between operating leases and finance leases and introduction of a single accounting model to record assets and liabilities in relation to all important lease transactions.

As of the lease commencement date, right-of-use assets are measured at acquisition cost, and lease liabilities are measured at the present value of remaining lease payments as of the lease commencement date. When the ownership of the underlying asset is transferred to the Group prior to the termination of the lease period, or when the exercise of a purchase option is reflected in the acquisition price of the right-of-use asset, the right-of-use asset is depreciated using the straight-line method based on its useful life. In other cases, right-of-use assets are depreciated using the straight-line method based on either the useful life or at the termination of the lease period, whichever is shorter. Lease payments are apportioned between finance costs and repayment of lease obligations based on the interest method, and financial costs are recognized in the consolidated statement of profit and loss.

The lease period is determined by adjusting the period subject to an option to extend or terminate the lease that can be exercised with reasonable certainty during the non-cancelable period as set forth in the lease contract. The rate used in calculating the present value of the lease payments is the interest rate implicit in the lease or the lessee's incremental borrowing rate.

Short-term leases with a lease term of 12 months or less and leases of low-value underlying assets are recognized as expenses on either a straight-line basis or another systematic basis over the lease term for the total lease payments.

The method adopted in the application of IFRS 16 is to recognize the cumulative effect of applying this standard at the date of initial application that is approved as an interim measure without retrospectively adjusting the balance in the earlier reporting periods.

In transitioning to IFRS 16, the Company chose to adopt the practical expedient of succeeding the previous assessment of which transactions constitute leases. IFRS 16 is applied only to contracts that were identified as leases under the previous IAS 17 and IFRIC 4 and a review on whether the contracts correspond to leases is not performed on contracts not previously identified as leases.

Consequently, the identification of leases based on IFRS 16 is applied solely to contracts that were signed or changed after the initial date of application.

For leases that were classified as operating leases under IAS 17, lease liabilities on transition are initially measured at the present value of the total remaining leases as of the date of transition, discounted at the incremental borrowing rate of the lessee. Right-of-use assets are recorded at the same value as lease liabilities. The weighted-average for incremental borrowing rate of the lessee applied to lease liabilities recognized in the summary quarterly consolidated financial statements as of the date of initial application is 0.4%.

Also, the Company has used the practical expedients in the past as shown below prior to the application of IFRS 16 to leases classified as operating leases with the application of IAS 17:

* Rely on an assessment of whether leases are onerous in accordance with IAS 37 "Provisions, Contingent Liabilities and Contingent Assets" immediately before the date of initial application as an alternative to performing an impairment review.

* Apply a single discount rate to a portfolio of leases with reasonably similar characteristics
* Account for leases for which the lease term ends within 12 months of the date of initial application in the same way as short-term leases
* Exclude initial direct costs from the measurement of right-of-use assets at the date of initial application
* Use hindsight: e.g. in determining the lease term of the contract that contains options to extend or terminate the lease.

The differential between the lease liabilities recognized on the day of initial application and total future minimum lease payments on operating leases that cannot be terminated, disclosed by applying IAS 17, as of the end of the consolidated accounting year immediately before the date of initial application is 1,652 million yen. A major reason behind this differential is a review of the lease period performed upon the application of IFRS 16.

The carrying amount of right-of-use assets and lease liabilities as of April 1, 2019 for leases classified as finance leases under IAS 17 is calculated at the carrying amount of lease assets and lease liabilities according to IAS 17 as of the day immediately preceding the above date.

In transitioning to IFRS 16, the Company recorded 2,138 million yen, 507 million yen and 1,631 million yen as Property, plant and equipment, other financial liabilities (current) and other financial liabilities (non-current), respectively, at the beginning of the period.

The impact of the transition on the quarterly profits and cash flow during the current first quarter consolidated cumulative period remains minimal.

4. Significant accounting estimates and associated judgments

In preparing condensed consolidated financial statements, the management is required to make judgment, estimates and assumptions that affect the adoption of accounting policies and the amounts of assets, liabilities, revenues and expenses. Actual results may differ from such estimates.

The estimates and underlying assumptions are reviewed on an ongoing basis. The effect of a change in accounting estimates is recognized as the accounting period in which such change occurs as well as the accounting periods to be affected in the future.

The estimates and judgments made by the management that may have material impacts on the figures in the condensed consolidated financial statements are the same as those for the consolidated financial statements for the fiscal year ended March 31, 2019.

5. Segment information

(1) Overview of reporting segments

The Group's reporting segments are those Group constituent units for which separate financial information is obtainable, and which the Board of Directors subjects to regular examination in order to decide the allocation of management resources and evaluate business results.

As a pure holding company, the Company is in charge of overall strategic function for the Group, whereas operating companies of the Group engage in the precious and rare metals recycling business and the refining and processing business, industrial waste management and other environmental preservation business, and life & health business including manufacturing and selling of health equipment.

Therefore, the Group is composed of product and service segments based on business sectors. The three reporting segments are the Precious Metal Business, the Environmental Preservation Business, and the Life & Health Business. Meanwhile, these reporting segments are not be aggregated.

The Precious Metals Business engages mainly in recycling and selling of precious and rare metals such as gold, silver, palladium, and platinum, as well as refining and processing of precious metals such as gold and silver. The main work of Environmental Preservation Business is the collection, transport and intermediate processing of industrial waste. In the Life & Health Business, the main work is the manufacture and sales of massagers, hearing aids, and other health equipment, the manufacture and sales of electric heaters, the design and installation of radiant heating and air conditioning systems, and the design and installation of disaster prevention equipment.

(2) Segment revenue and performance

Accounting policies of the reporting segments are the same as those of the Group stated in "Note 3. Changes in accounting policies."

Revenue and other performance of each reportable segment of the Group are as follows.

For the three months ended June 30, 2018 (from April 1, 2018 to June 30, 2018)

(Millions of yen)

	Reporting segment					
	Precious Metals Business	Environmental Preservation Business	Life & Health Business	Total	Adjustment	Consolidated
Revenue						
External revenue	22,936	4,039	4,938	31,914	−	31,914
Intersegment revenue	−	17	0	17	(17)	−
Total	22,936	4,057	4,938	31,932	(17)	31,914
Operating income by business segment	3,483	679	121	4,283	(741)	3,542
Finance income						9
Finance costs						(205)
Profit before tax						3,345

(Note) 1. Intersegment transactions are based on prevailing market prices.

2. Adjustments of operating income by business segment are mainly corporate expenses that are not allocated to each reporting segment.

For the three months ended June 30, 2019 (from April 1, 2019 to June 30, 2019)

(Millions of yen)

	Reporting segment					
	Precious Metals Business	Environmental Preservation Business	Life & Health Business	Total	Adjustment	Consolidated
Revenue						
External revenue	24,572	4,230	5,166	33,969	－	33,969
Intersegment revenue	－	5	－	5	(5)	－
Total	24,572	4,236	5,166	33,974	(5)	33,969
Operating income by business segment	3,438	837	130	4,406	(588)	3,817
Finance income						6
Finance costs						(556)
Profit before tax						3,267

(Note) 1. Intersegment transactions are based on prevailing market prices.

2. Adjustments of operating income by business segment are mainly corporate expenses that are not allocated to each reporting segment.

6. Subsequent events

Not applicable